GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:489
ANSWERED ON:12.08.2014
MSP OF BENGAL GRAM
Subbareddy Shri Yerram Venkata

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government is aware that Minimum Support Price (MSP) for all the varieties of Bengal Gram is same and if so, the details thereof and the reasons therefor;

(b) the methodology used to calculate the production cost of different varieties of Bengal Gram along with the details of production cost, variety-wise;

(c) whether measures have been taken by the Government to encourage export of Bengal Gram and if so, the details thereof; and

(d) whether there are lack of marketing facilities, and if so, the steps being taken by the Government to increase these facilities through State Cooperative Marketing Federation Limited (MARKFED) and National Agricultural Cooperative Marketing Federation of India Limited (NAFED)?

Answer

MINISTER OF AGRICULTURE (SHRI RADHA MOHAN SINGH)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 489 DUE FOR REPLY ON 12TH AUGUST, 2014.

(a): Government fixes Minimum Support Prices (MSPs) of various crops including Gram on the recommendations of the Commission for Agricultural Costs & Prices (CACP), views of State Governments and concerned Central Ministries/Departments and other relevant factors. MSP is not fixed variety-wise for Gram.

(b): Cost data are not collected /estimated variety-wise for Gram. The estimates of cost of cultivation/cost of production are collected through a Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops. These data are collected with the help of State Agricultural Universities and Agro-Economic Research Centres. These estimates take into account real factors of production and include all actual expenses in cash and kind incurred in production by the farmer. Since the actual availability of data involves time lag, various components of cost are projected by the CACP for the ensuing season of the crops, after taking into account the changes in prices of different inputs subsequent to the period to which the data pertain.

(c): Export of all pulses except kabuli chana is banned. Besides, 10,000 MT of organic lentils and pulses per annum is also allowed to be exported.

(d): States/UTs have been advised to amend their respective State APMC Acts on the lines of Model Act, 2003 so as to provide for direct marketing, contract farming, setting up markets by farmers/private/cooperative sectors, e-trading etc. in order to bring competition & transparency in the system to ensure fair and reasonable prices to the farmers. Government has also extended the benefit of interest subvention to small & marginal farmers having Kisan Credit Cards (KCCs) for a period of six months post harvest on the same rate as available to crop loan against negotiable warehouse receipt for keeping their produce in warehouses & selling it later upon rise in their prices. Rural Infrastructure Development Fund (RIDF) and Warehouse Infrastructure Fund (WIF) also provide for augmentation of rural infrastructure including development of warehousing & marketing facilities. Further, in order to encourage investment in marketing infrastructure development Government is implementing capital investment subsidy schemes of Development/Strengthening of Agricultural Marketing Infrastructure, Grading and Standardisation (AMIGS) and Gramin Bhandaran Yojana (GBY). Government is also implementing "Marketing Research and Information Network (MRIN)" with the objective, interalia, to collect and disseminate prices and arrival data for the benefit of farmers and other stakeholders to facilitate the farmers in taking better production and marketing decisions to get more remunerative prices for their produce. In addition, Government organizes procurement operations through Central, State and cooperative agencies. However, farmers are free to sell in the open market if the market offers higher price than MSP. State Governments have been alerted from time to time to make adequate arrangements to ensure MSP to farmers.